

## Memorandum

TO: Muriel Johnson, Director, California Arts Council

FR: Ryan Stubbs, Director of Research, WESTAF

RE: 2006 and 2007 California CVI

DT: September 1, 2009

CC: Anthony Radich, Executive Director, WESTAF

---

The intent of this memo is to provide a synopsis of general findings for the California Creative Vitality Index (CVI) for 2006 and 2007, to provide additional analysis of the findings, to discuss implications of the study, and to provide a snapshot of data highlights that can help facilitate the creative economy discussion within the state.

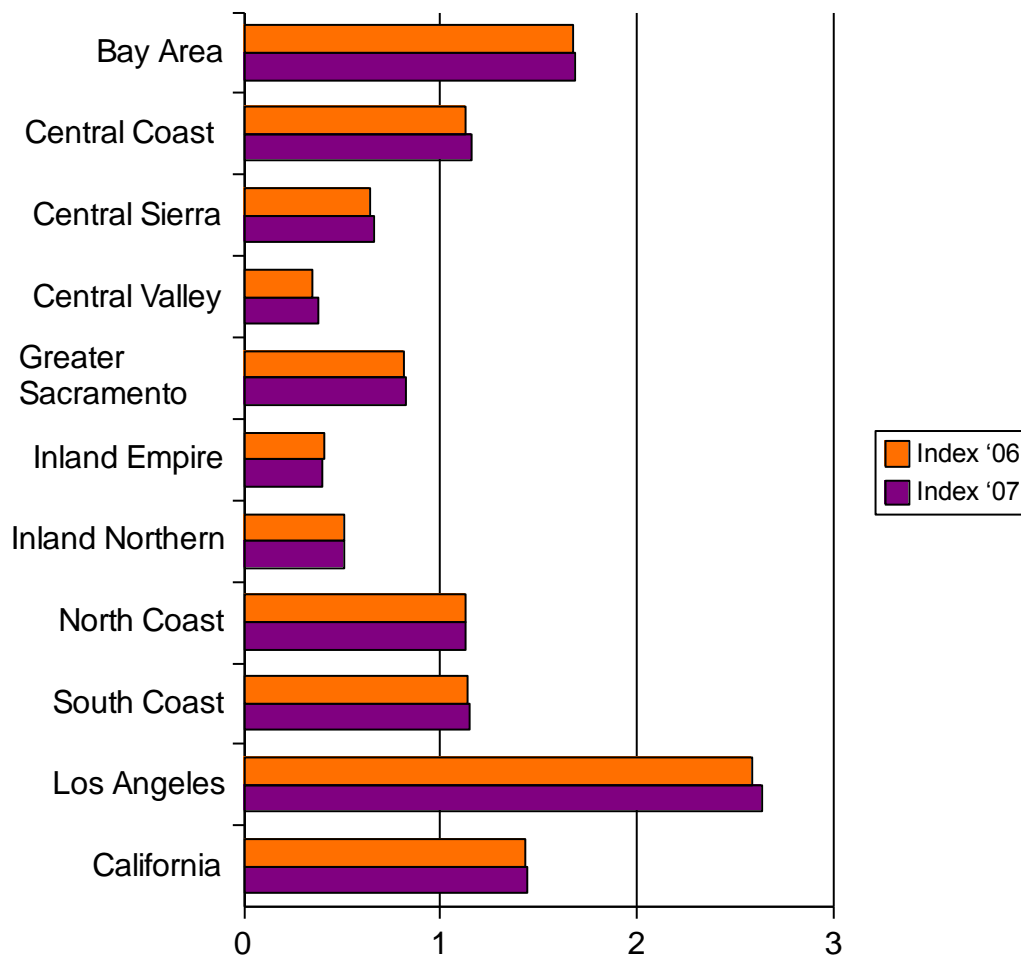
The Creative Vitality Index (CVI) measures the annual changes in the economic health of an area by integrating economic data streams from both the for-profit and nonprofit sectors. Through per capita measurements of revenue data from both for-profit and nonprofit entities as well as jobs data from a selection of highly creative occupations, the system aggregates the data streams into a single Index value that reflects the relative economic health of a geography's creative economy. The CVI provides an easily understandable measure of economic health to help communicate information from a broad arts coalition to policy makers and stakeholders. This longitudinal data allows for compelling year-to-year comparisons as well as cross-city, county, and state comparisons. The system also provides users with a series of reports on the rise and fall of key data factors measured by the Index. The CVI goes beyond an annual tally of what is often inflation-driven growth in the non-profit art sector. Instead, it is a more inclusive reporting mechanism that is rooted in robust data streams that reflect the entire arts-based creative economy.

Within the CVI, the figure "1.00" acts as a national baseline for which localities can be measured against. Thus, an Index value of "1.00" means a locality is essentially "on par" with the nation. Overall, the Index provides a relative indication of creative strengths as measured against consistent national data sets.

When using the same CVI indexing method for all 50 states, strictly based on statewide geographies, **California has the third highest CVI in the nation for both 2006 and 2007.**

Top Ten CVI Values by State		
State	CVI 2006	CVI 2007
New York	1.96	1.98
Massachusetts	1.47	1.50
<b>California</b>	<b>1.43</b>	<b>1.44</b>
Hawai'i	1.40	1.42
Maryland	1.23	1.37
Vermont	1.33	1.32
Nevada	1.08	1.24
Virginia	1.16	1.15
Minnesota	1.19	1.14
Colorado	1.12	1.13

For the California CVI, the California Arts Council selected ten regions, composed of either a singular county in the case of Los Angeles, or two or more counties across the rest of the nine regions. Regions were determined based on local knowledge of regional relationships from an arts and culture perspective. Within the report, data is presented by region, with detailed tables and index values for each component of the CVI for each region and for the state as a whole.



Overall, the CVI points towards a creative economy in California that has strength across a majority of the state and includes a number of regions with very high concentrations of activities within the creative economy. **The California CVI for 2007 was 1.44, a very slight increase over the 2006 Index value which was 1.43.** California showed strengths in all categories measured within the CVI, with only one category falling slightly below the national baseline of “1.00”, which was arts-active organization revenues.

**California showed the largest advantage within the category for Art Gallery and Individual Artists Revenues.** Here, data indicates per capita revenues at three times the national average. Five of the ten regions included within this study showed Index values above “1.00” including the Bay Area, the Central Coast, the North Coast, the South Coast, and Los Angeles. CVI data shows that a competitive advantage exists within the creative economy as measured by the CVI and that these strengths exist in multiple regions across the state. These advantages are even more significant in certain regions such as Los Angeles County and the Bay Area.

State of California CVI Totals 2007				
Industry Data	Total Revenues	CVI	Weight	CVI Contribution
Photo Store Revenues	\$260,372,000	1.18	8.00%	0.09
Musical Instrument Store Revenues	\$617,429,000	1.48	8.00%	0.12
Book and Record Store Revenues	\$1,722,729,000	1.41	8.00%	0.11
Art Gallery and Individual Artist Revenues	\$12,167,650,000	3.00	8.00%	0.24
Performing Arts Revenues	\$3,073,877,000	1.88	8.00%	0.15
Non Profit Data	Total Revenues	CVI	Weight	CVI Contribution
Arts Organization Revenue	\$1,957,356,379	1.17	10.00%	0.12
Arts Active Organization Revenue	\$1,604,230,665	0.93	10.00%	0.09
Occupation Data	Total Jobs	CVI	Weight	CVI Contribution
Jobs	681,438	1.29	40.00%	0.52

**Data indicates that California has advantages in nearly every category as measured within the CVI.** This points to broad participation in creative economic activities among Californian's in both the for-profit and nonprofit sectors. Also, the high Index value within the occupational index shows that California has a highly creative workforce, at a level greater than the nation as a whole. Additionally, the highly creative workforce also points to strengths within the industries that employ creative workers as measured within the CVI.

From the 2006 and 2007 California CVI study, we can extract the following highlights that can help facilitate the creative economy discussion within the region:

- **Over 4,500 nonprofit arts and arts-active organizations are included in the database for California in 2007**
- **Arts-related nonprofits earned over \$3.5 billion in revenues from programming,**

investments, special events, contributions and membership dues (strictly revenue numbers indicative of revenue stream health, not impact)

- The Bay Area region had the highest Index value among arts organizations with an Index of 2.04 in 2007, indicating per capita revenues twice as large as the nations
- The North Coast region had the highest Index value for arts-active organizations, with an Index value indicating per capita revenues three times as large as the nation in 2006 and 2007
- Total book and record store revenues in California equated to approximately \$1.8 billion in 2006 and \$1.7 billion in 2007
- Musical instrument store revenues in the state of California equated to approximately \$537 million in 2006 and \$617 million in 2007
- The Musical instrument store revenues Index value for the state increased from 1.30 to 1.48
- Los Angeles County accounted for over 50% of revenues in this category for 2007, this points to extremely high cultural participation related to retail music stores in the Los Angeles area
- Photography store revenues in California increased by a marginal amount, resulting in a small decline in the Index value for this measurement in 2007
- Particular regions with high Index values in photography store revenues include the South Coast, Los Angeles, the Central Coast, and the Bay Area
- Los Angeles shows an extremely high Index value in the performing arts revenues category with revenues that are nearly five times greater than the nation on a per capita basis
- Performing arts revenues in Los Angeles County were over \$2.1 billion in 2007
- California is extremely strong within the CVI category measuring art gallery and individual artist revenues , with over \$12 billion in revenues and an Index value that indicates per capita revenues three greater than the national
- Los Angeles shows extremely high Index values in the art gallery and individual artist revenues category, with Index values eclipsing 8.0 each year
- The Occupational Index shows over 680,000 full and part-time creative occupations within California
- The total number of these occupations increased by 3.2% between 2006 and 2007

- **Workers such as Actors, Producers, Directors, Camera Operators and Film and Video Editors are all represented within California at twice the level of the nation on a per capita basis**
- **Job categories with the highest percentages of growth statewide included Multimedia Artists and Animators, Fine Artists, Sound Engineering Technicians, and Agents**
- **The Bay Area also shows very high employment levels on a consistent basis across all occupations being measured. Particular strengths are shown within Landscape Architects, Technical Writers, and Choreographers**
- **The Central Coast showed strong creative employment concentrations in nearly every primary occupation category with particular strengths among Landscape Architects and Photographers**
- **The Central Sierra, which has the smallest population out of the ten regions studied indicated high concentrations of Floral Designers, Landscape Architects and Agents**
- **While creative occupations grew at a rate of 2.9% between 2006 and 2007 in the Central Valley, no individual occupations were concentrated at a higher rate than the nation**
- **The Greater Sacramento region showed strength in a number of creative occupations including Interior designers, Architects, Landscape Architects, Photographers, Choreographers, Public Relations Managers, Public Relations Specialists, Media and Communications Workers, and Broadcast Technicians**
- **The Inland Empire region showed occupational growth at 2.3% for 2006 to 2007, with high concentrations of Media and Communication equipment workers**
- **The Inland Northern region showed high concentrations of Landscape Architects, Multi-Media Artists and Animators, Photographers, and Fine Artists**
- **The North Coast region indicated employment growth at 3.9% between 2006 and 2007 with strengths in a number of occupations including Music Directors and Composers as well as Fine Artists**
- **The South Coast region showed strength in nearly all occupational categories within the CVI, with large concentrations of Choreographers and Media and Communication Equipment Workers**

Clearly there is a large number of highlights to be drawn for the data within California. These highlights can be extracted to help include information within communication pieces for stakeholders and policy makers. If you have any questions about the numbers included within this memo or within the full report, please direct them to my attention.